COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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| APPLICATION OF LOUISVILLE GAS |) | |
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| AND ELECTRIC COMPANY, INC. |) | CASE NO. 2008-00252 |
| FOR AN ADJUSTMENT OF ITS |) | |
| ELECTRIC AND GAS BASE RATES |) | |

ORDER

On July 18, 2008, Louisville Gas and Electric Company ("LG&E") filed a report containing detailed findings and recommendations relating to a 3-year pilot program implementing a Small-Time-of-Day Service ("STOD") tariff. The STOD tariff offers time-of-day rates for commercial customers with maximum monthly demands greater than 250 kW and less than 2,000 kW during calendar year 2003. Based on LG&E's analysis of the 3-year pilot STOD tariff, LG&E recommends that the tariff be discontinued.

Based on a review of LG&E's report on the STOD tariff and being otherwise sufficiently advised, the Commission finds that LG&E's report, which was prepared jointly with its affiliate, Kentucky Utilities Company, should be filed in and considered in conjunction with LG&E's pending application for an adjustment in base rates. The Commission further finds that LG&E should serve a copy of its report on each party that has already been granted, or is subsequently granted, intervention in this case.

IT IS THEREFORE ORDERED that:

1. LG&E's report on the STOD tariff shall be filed in and considered part of LG&E's base rate application in this case.

2. LG&E shall serve a copy of its report on the STOD tariff on each party that has been granted, or is subsequently granted, intervention in this case.

Done at Frankfort, Kentucky, this 15th day of August, 2008.

By the Commission

Chairman Armstrong abstains.

ATTEST:

frtte Executive Director